



GOV. MALLOY: FRITO-LAY TO EXPAND IN KILLINGLY

(HARTFORD, CT) – Governor Dannel P. Malloy today announced that the state will assist Frito-Lay North America Inc., a division of PepsiCo, with an expansion of its distribution and manufacturing plant in Killingly. The plant, which employs more than 600 full-time employees, services Connecticut and other Northeast retailers, and exports products for the military overseas.

“In the short term, this agreement will allow Frito-Lay to invest in an advanced high-tech warehouse distribution system for this facility. But more importantly, it will ensure that the long terms plans for Frito-Lay include its operation in Killingly,” said Governor Malloy. “Frito-Lay, with facilities all across the country, could have made this investment in any number of locations, but it chose Connecticut. I think this speaks volumes about what we’re doing here to improve the business environment.”

Frito-Lay plans to invest about \$38 million to equip the 370,000-square-foot Killingly facility with innovative technology for material handling and delivery. The enhancements to the Killingly facility will increase efficiency, improve delivery, while also reducing the company’s environmental footprint.

State financial assistance for the project will be provided by the Department of Economic and Community Development, with up to \$3 million in Urban and Industrial Sites Reinvestment Tax Credits, and Connecticut Innovations (CI), with up to \$1 million in Sales & Use Tax Exemptions. The tax exemptions are subject to approval by the CI Board of Directors.

“Frito-Lay has a long and proud history in Killingly and we are pleased with the State of Connecticut’s commitment to our continued growth and success,” said Leslie Star Keating, senior vice president, Supply Chain, Frito-Lay North America.

“It is outstanding that the 600 jobs at Frito-Lay are being preserved and that we are solidifying Frito-Lay’s presence in northeastern Connecticut for years to come,” said

Senate President Donald E. Williams, Jr. (D-Killingly, Brooklyn). "Frito-Lay will continue to be an asset to our economy with the promise of future job growth."

State Representative Mae Flexer (D-Killingly, Plainfield, Sterling) said, "Frito-Lay is a vital employer and valued community partner in Killingly. I'm thrilled that the State of Connecticut is able to be a partner in their expansion and therefore their future in Killingly."

"Being a close neighbor of this facility, I'm delighted the Governor continues to support us in northeast Connecticut," said State Representative Danny Rovero (D-Killingly, Putnam, Thompson). "Stepping up and doing what it takes to retain our job base shows the kind of leadership appreciated by the Quiet Corner."

The company undertook a \$66 million expansion project of the Killingly plant in 2010, adding more than 70,000 square feet and installing new machinery and equipment. A year later, the plant became the state's first existing manufacturing plant to earn LEED Gold status for its green design and construction features and water and energy reduction programs.

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